



TOWN OF MOUNTAIN VILLAGE
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**TOWN OF MOUNTAIN VILLAGE
MINUTES OF THE MAY 21, 2015
REGULAR TOWN COUNCIL MEETING**

The meeting of the Town Council was called to order by Mayor Dan Jansen at 8:32 a.m. on Thursday, May 21, 2015 in the Mountain Village Town Hall, 455 Mountain Village Town Hall Boulevard, Mountain Village, Colorado. Mayor Jansen asked Mayor Pro-tem Cath Jett to run the meeting since he was attending the meeting via conference call.

Attendance:

The following Town Council members were present and acting:

Dan Jansen, Mayor (by conference call)
Cath Jett, Mayor Pro-Tem
John Howe
Michelle Sherry
Marty McKinley
Jonette Bronson
Dave Schillaci

The following Town Council members were absent:

Also in attendance were:

Kim Montgomery, Town Manager
Jackie Kennefick, Director of Administration/Town Clerk
Susan Johnston, Deputy Town Clerk
Nichole Zangara, Marketing & Business Development Director
David Reed, Town Attorney
Jim Mahoney, Assistant Town Attorney
Chris Hawkins, Director of Community Development
Kevin Swain, Finance Director
Chris Broady, Police Chief
Sue Kunz, Human Resources Director
Chris Colter, Director of Transit & Recreation
Finn Kjome, Public Works Director
Corrie McMills, Human Resources Coordinator
Dave Bangert, Forester
Savannah Jameson, Planner II
Jodi Miller, Office Manager/Court Clerk
Rachelle Redmond, MVPD Lieutenant
Rob Johnson, Transit Operations Manager

Jonathan Greenspan
Tom Kennedy
Brian Kanaga
Stephanie Fanos
Jolana Vanek
Shirley Diaz
Melanie Montoya
David Bulson
Dan Caton
Steven Caple
Preston Herold
John Wagner
Brent McLean
Larry Scanlon

Executive Session for the Purpose of Receiving Legal Advice Pursuant to C.R.S. 24-6-402(b), and for the Purpose of Negotiations Pursuant to C.R.S. 24-6-402(4)e (3)

On a **MOTION** by John Howe and seconded by Marty McKinley, Council agreed to enter into Executive Session for the purpose of receiving legal advice pursuant to C.R.S. 24-6-402(b), and for the purpose of negotiations pursuant to C.R.S. 24-6-402(4)e at 8:32 p.m.

Michelle Sherry arrived at 8:40 a.m.

Council returned to regular session at 9:30 p.m.

Public Comment for Non-Agenda Items (4)

No public comment was received.

Consideration of Approval of a Proclamation Declaring May "Sexual Assault Awareness Month" – San Miguel Resource Center (5)

Mayor Pro Tem Cath Jett read the Proclamation. Director Melanie Montoya thanked Council for their support and accepted the Proclamation. On a **MOTION** by Dave Schillaci and seconded by John Howe, Council voted unanimously to approve a Proclamation declaring May "Sexual Assault Awareness Month"

Consent Agenda:

All matters in the consent agenda are considered to be routine by the Town Council and will be enacted with a single vote. There will be no separate discussion of these items. If discussion is deemed necessary, that item would be removed from the Consent Agenda and considered separately:

- a. **Approval of Minutes of the April 23, 2015 Regular Town Council Meeting**
- b. **Approval of the March 26, 2015 Corrected Town Council Meeting Minutes**
- c. **Approval of Minutes of the May 6, 2015 Special Town Council Meeting**
- d. **Approval of Minutes of the May 8, 2015 Special Town Council Meeting**

On a **MOTION** by Dave Schillaci and seconded by John Howe, Council voted unanimously to approve the consent agenda.

San Miguel Regional Housing Authority Annual Report (SMRHA)(7)

Executive Director Shirley Diaz presented her report. She stated that real estate sales are up, with more regular sales than short sales. SMRHA plans to upgrade their website in 2015 and a Request for Proposal is in progress. The upgrade will improve tracking information and housing needs. This summer they will be hiring an intern who will be assisting with a back-log in administration. Council discussion ensued. Council thanked Ms. Diaz for a thorough report.

Finance: (8)

a. Presentation of the April 30, 2015 Business & Government Activity Report (BAGAR)

Finance Director Kevin Swain presented the BAGAR stating that sales tax was up 20% for April. He noted that Telluride Tourism Board President and CEO Michael Martelon is performing an evaluation on the financial impact from *The Hateful Eight* movie production. Council discussion ensued.

b. Consideration of the March 2015 Financials

Council discussion ensued. On a **MOTION** by Marty McKinley and seconded by Dave Schillaci, Council voted unanimously to approve the March 2015 financials.

Second Reading, Public Hearing and Council Vote on an Ordinance Establishing Town Council Compensation Package (9)

Human Resources Director Sue Kunz presented the above item. The Council compensation package includes a salary increase to \$400/month for Council members and \$800/month for the Mayor, a ski pass, free water, sewer, basic cable, basic internet and the ability to enroll in PERA. Ms. Kunz stated that the budgetary impact is approximately \$39,000 annually. The Mayor Pro-Tem opened the public hearing. There was no public comment. Council discussion ensued. The Mayor Pro-Tem closed the public hearing. On a **MOTION** by Dave Schillaci and seconded by Marty McKinley, Council voted unanimously to approve an Ordinance establishing a Town Council compensation package.

Second Reading, Public Hearing and Council Vote on an Ordinance to Amend the Community Development Code (CDC) at (A) Section 17.4.14(F)(3) to Revise the Criteria for Allowing Ski Lifts

on Private Lots; and (B) Section 17.6.9 to Meet or Exceed San Miguel County Open Burning Regulations; (C) Section 17.3.4(F)(4) to Allow for the Re-subdivision and Rezoning of Single-Family Lots Subject to Modified Criteria; and (D) Miscellaneous Amendments to the CDC to Accomplish the Foregoing (10)-Quasi-Judicial

Director of Community Development Chris Hawkins presented the above item stating that the suggestions by Council at the first reading have been incorporated for the second reading. The Mayor Pro-Tem opened the public hearing. Council discussion ensued regarding the concept of restricting open burning to the fall. Council consensus was to rely on staff to issue permits and make the determination when a burn can take place. Public comment was received by Jonathan Greenspan. The Mayor Pro-Tem closed the public hearing. Council discussion ensued. Mayor Jansen stated that the goal is to encourage homeowners to mitigate their property. Council consensus was to rely on Mr. Bangert to obtain the proper input from experts in the event a burn is allowed. On a **MOTION** by John Howe and seconded by Marty McKinley, Council voted 6-1 (with Dave Schillaci dissenting) to approve an Ordinance amending the Community Development Code and adding that the fire management plan must also address the reclamation of the burn site.

Discussion on Town Hall Subarea Detailed Planning (11)

Mayor Jansen framed the discussion stating that during the process of the Town Hall Subarea Task Force Design Charrettes, some legitimate concerns were raised regarding increased traffic, skiers, gondola usage, pedestrian access and the impact from cars. The Mayor asked Council if they had an appetite to engage other players in the planning process for some of the subarea improvements. He stated that both Greg Pack of Telluride Ski & Golf (TSG) and Anton Benitez of Telluride Mountain Village Owner's Association (TMVOA) were willing to participate. Mayor Jansen suggested that a task force would be appropriate. Council consensus was supportive of a task force. Assistant Town Attorney Jim Mahoney stated that Council could amend the existing Town Hall Subarea Task Force by-laws and give the current members the ability to opt out or continue to participate. Mr. Mahoney will work with the Mayor and the Town Manager to propose amendments to the by-laws for the task force. After the task force review, plans would then go to the DRB before coming to Council.

Proposed Rezoning, Density Transfer and Replat for Lots 376R and Lot 387R (12)

Chris Hawkins presented the above item explaining that the owner of the property has proposed a unique clustered development where the two existing single-family lots are rezoned and replatted with the following main planning elements:

- Two single-family areas that are approximately 2.3 and 7.5 acres in size
- Maximum of three single-family dwellings and one accessory dwelling
- The larger single-family lot is proposed to be split into two single-family lots (Lots 387RA & Lot 387R-B), with the primary home on one of the lots and large guest house on the other lot
- The smaller single-family lot, Lot 376A-R, would initially contain a small home that can become an accessory dwelling unit per the CDC limitations if and when a larger primary home is constructed on the lot
- Three passive open space tracts with approximately 34 acres in size
- Three active open space tracts with approximately 10 acres
- One right-of-way active open space tract with approximately 5.6 acres
- Workforce housing and maintenance facility by recently built bridge on proposed Tract 387-1
- An equestrian stable most likely on Tract 387-1, with a forested pasture area on Tract 387-4. It may be that to optimize site planning, the equestrian stable could be placed on Tract 387-3

The DRB conducted a conceptual work session on the proposal on May 7th, and provided the following general, non-binding direction:

1. Provide a forested buffer to the Marmot Ski Run for development on Tract 387-1.
2. Provide conceptual plan for Tract 387-1 to ensure all uses fit and are not crammed onto

the site.

3. Explore covenant or other legal instrument that ties all open space tracts to the single-family lots to ensure they cannot be sold off separately.
4. Explore trailhead parking on the easterly side of the access bridge on Access Tract A1-F26 or other locations in the area for public to access the trail running up the Marmot Ski Run (Old Wagon Road).

The public benefits consist of the reconstruction of a water line, a forest management plan, open space, a clustered development, and a new gas line. The applicant's (Yellowbrick Road LLC) attorney Tom Kennedy explained that the applicant's goal is to cluster the project, thereby avoiding a large footprint and preserving the property. The area that is being split into two lots would allow for a single family home on each lot but would be required to be sold together. The other peninsula lot could be sold separately. A homeowners association (HOA) would be set up for the cluster, which would serve all of the home sites. Council discussion ensued. The proposed development agreement with the Town would preclude developing an accessory unit in addition to the main homes. The covenant would be recorded and run with the property. There is a potential for a tubing hill that would involve a small funicular but it would be contained on the property with no access to the ski run. Council consensus was in support of the applicant's plans.

Dan Jansen left the meeting at 11:14 a.m.

Hotel Madeline Site Visit to Review Proposed Room Configurations Pursuant to Agenda Item #16 (13)

Council continued to the Hotel Madeline site at 11:14 a.m.

Council took at lunch break from 12:20 p.m. to 12:30 p.m. (14)

First Reading, Setting of Public Hearing and Council Vote for a Major PUD Amendment to Allow for: (A) the Combination of a Maximum of Nine (9) Lodge Units to be Rezoned into Five (5) Condominiums; (B) Five (5) Hotel Condominiums to be Rezoned as Lodge Units; (C) the Combination of Seven (7) Condominium Units into Three (3) Condominium Units; and (D) a Density Transfer as Needed to Accomplish the Foregoing on Lot 38-50-51R- Quasi-Judicial (15)

Chris Hawkins presented the above item stating that the DRB passed a motion recommending the Town Council approve the PUD amendment with the following conditions:

- The PUD agreement will be amended to require density to be transferred from either within the property or from the density bank, with minor PUD amendment development applications in the future to account for unit combinations and density transfers.
- The PUD agreement will allow for the conversion of lodge and efficiency lodge units only in the Lot 38 Building to condominium units in order to create attractive, functional and higher occupancy units.
- The PUD agreement will allow for the combination of only the condominium units only on the top floor of the Lot 50-51 Building.
- The PUD agreement will require the Town to be notified of a proposed unit combination and the associated, required density transfer prior to or concurrent with the required building permits.
- Unit combinations shall require an amendment to the condo map and declaration prior to the issuance of a certificate of completion for such combinations.
- The hotel deed restriction shall remain in place for the five (5) efficiency lodge units that are allowed to be converted to lodge units.
- The length of validity to reconfigure rooms and convert the five (5) efficiency lodge units shall be five (5) years.

Mr. Hawkins stated that the applicant is not proposing an additional community benefit for the PUD amendment, and staff does not believe that the applicant is providing adequate community benefits. PUDs are created as a balance between the variations sought and the community benefits proffered, with the goal being to create proportional variations and community benefits. Mr. Hawkins proposed shading the other half of the ice rink as a community benefit. Doing this would cost approximately \$110,000 which is more than the applicant is willing to consider. Applicant Brent McLean stated that the changes being requested will

not increase profit for the hotel rendering it profit neutral. Mr. McLean stated that additional community benefits should not be required, however; they are open to discussion. Extensive Council discussion ensued regarding how to agree on the public benefit. On a **MOTION** by Michelle Sherry and seconded by Jonette Bronson, Council voted 5-1 (with Marty McKinley dissenting), to approve on first reading an Ordinance for a major PUD Amendment to the Madeline Hotel PUD to allow for: (A) the combination of a maximum of nine lodge units to be rezoned into five condominiums; five hotel condominiums to be rezoned as lodge units; the combination of seven condominiums into three condominium units; and (D) a density transfer as needed to accomplish the foregoing on Lot 38-50-51R and to set the second reading, public hearing and Council vote for June 25, 2015 and directed staff to work in kind with applicant for a 100% solution and bring back to Council at the second reading.

First Reading, Setting of a Public Hearing and Council Vote on a Major PUD Amendment to Extend the Length of Validity and Vested Property Rights for a Site Specific Development Plan for Lot 109R from December 8, 2015 to December 8, 2020-Quasi-Judicial (16)

Chris Hawkins presented the above item. The Town Council approved the final PUD development application on December 8, 2010, by Resolution Number 2010-1208-31, as recorded at Reception Number 415339. The PUD development agreement was recorded on March 18, 2011 at Reception Number 416997 (PUD Agreement). The PUD Agreement established the length of validity until December 8, 2015. The applicant is requesting an extension for five years in order to allow the owner to continue monitoring the market conditions and complete the project when feasible.

The DRB recommendation was:

1. The length of validity for vesting shall be for three (3) years with the Council having the ability to extend to a total of five (5) years after a public meeting held prior to December 8, 2018.
2. Staff will conduct an analysis of the project against the Community Development Code (CDC) to understand current variations since the PUD was adopted prior to the CDC. Vice President of MV Development Partners, LLC John Wagner (the applicant) explained that one of the key partners (Rob Harper) passed away in January 2015; which is part of the reason they are seeking the extension; the other being the economy. They are committed to the project but need to conduct additional studies on the local market conditions, as well as what amenities will prove successful. The economy has been improving, but the valuable knowledge and relationships that their partner had made have been lost. Public comment was received by Jolana Vanek. On a **MOTION** by Dave Schillaci and seconded by Jonette Bronson, Council voted unanimously to approve on first reading a major PUD amendment to extend the length of validity and vested property rights for a site specific development plan for Lot 109R from December 8, 2015 to December 8, 2020 and to set the second reading, public hearing and Council vote for June 25, 2015.

Amendments to the Town of Mountain Village Comprehensive Plan’s Meadows Subarea Plan (17)

Chris Hawkins stated that the Town Council requested that this work session be scheduled as a follow up to the April 23, 2015 Town Council meeting where an overall amendment to the Meadow’s Subarea Plan was discussed. The primary direction at the April meeting was to initiate an amendment to the Meadow’s Subarea Plan to reflect the following changes as discussed at the meeting.

Table 9. Meadows Development Table

Parcel Designation	Target Max. Bldg Height	Zoned Units	Target Hotbed Mix	Target Condo Units	Target Deed Restricted Units	Target Rest-Comm. Area	Total Target Units
Parcel A Prospect Plaza	35-54	7 DRU	NA	NA	68 15	NA	68 15
Parcel B Town Shops	35	0	NA	NA	70 NA	NA	70 NA
Parcel C Lot 644	54	54 41 DRU	NA	NA	53 41	NA	53 41
Parcel D Lot 651-A	54	20 45	NA	NA	53 15	NA	53 15
Parcel E Big Billie’s Apartments (three-star	58	150 (dorm units)	77	10	2 (dorm units)	5,000	89

hotel minimum)							
Parcel F Meadows Run Parking Lot	33	0	NA	NA	NA	NA	NA
Parcel G Telluride Apartments	48	30 DRU	NA	NA	94 60	NA	94 60
Total Units		243 264	77		337 131	5,000	424 220

Meadows residents have expressed that they would like to see data based on the number of people versus the number of units, which makes it easier to determine density. Council consensus was that there is no need to rush into the amendments. Staff can propose a process, however; it will be up to Council to approve.

Incident Policy and Procedures (18)

Chief of Police Chris Broady presented the above item stating that this was initiated after the Town Managers' report regarding the New Year's Eve incident on the gondola. Chief Broady provided the existing policy. The policy was written and developed by a group of attorneys (Lexipol) and describes policy and procedure on how to investigate an incident. The Chief asked for continued feedback from Council. He stated that the public is sometimes hesitant to come forward and provide suggestions or express concerns to the Police Department and that he and his staff are always looking to improve community involvement.

Consideration of a Resolution to Allow for a Road Right of Way Encroachment for Lot 204 (19)

Forester Dave Bangert presented the above item. Mr. Bangert stated that the DRB approved the encroachment and it is not a significant change. He added that it would allow for an extension of the rock borders into the easement, and that this is a revocable easement. Council discussion ensued. On a **MOTION** by Dave Schillaci and seconded by John Howe, Council voted unanimously to approve a Resolution to allow for a road right of way encroachment for Lot 204.

Consideration of Approval of a Proposed TSG OSP-2S Forest Thinning Demonstration Project to Remove Dead and Hazardous Trees (20)

Dave Bangert presented the above item noting that Telluride Ski & Golf (TSG) decided not put any funds towards the forest thinning project. Mr. Bangert revised the project in order to keep it within the \$30,000 budget. Mr. Bangert expressed the need to time any funding requests (of TSG) prior to their budgeting schedule. Council discussion ensued. Council directed staff to outline the at-risk areas that may need mitigation for 2016, so that notice can be provided to TSG in a timely manner, thus enabling them to budget for the projects. Mr. Bangert stated that he would amend the Request for Quote (RFQ) to include a condition that if an air curtain burner was used, that the area must be reclaimed after the project. On a **MOTION** by Dave Schillaci and seconded by Marty McKinley, Council voted 5-1 (with John Howe dissenting) to approve a proposed TSG OSP-2S forest thinning demonstration project to remove dead and hazardous trees.

Council Boards and Commissions Updates: (21)

a. Eco Action Partners (EAP)– Howe/Sherry

There was no update.

b. Telluride Historical Museum – Bronson

A new Executive Director - Kiernan Lannon - has been hired to replace Erica Kinias. The Museum received an award for the *Voices of Wartime* display and also received the Certificate of Excellence from Trip Advisor. They are now open for their summer season.

On a **MOTION** by Michelle Sherry and seconded by Jonette Bronson, Council voted unanimously to extend the meeting beyond 6 hours.

c. San Miguel Watershed Coalition – Jett

The report card has been released. They have over 50 recommendations on how to improve the water conditions of the water shed.

d. Colorado Flights Alliance (CFA) – Jansen

There was no update.

e. Plaza Use Committee – Jett

They are currently discussing plaza food carts and will report more at a later date.

f. Transportation & Parking – Howe/Schillaci

They've been discussing overnight parking as the result of an email received and will report more at a later date.

g. Budget & Finance Committee – Jansen/McKinley

There was no update.

h. Mayor's Update

There was no update.

i. Campaigning update

Jim Mahoney stated that:

1. The Town may put out a factual sheet outlining options on the ballot measures
 2. Town Council could, at the June meeting, pass a Resolution supporting one of the ballot measures
- Council discussion ensued. Council directed staff to create a fact sheet and send to Council for comments. Once comments have been received and incorporated, the fact sheet will be posted in the appropriate places including the website.

Staff Reports: (22)

a. Police

Chris Broady presented his report. Council discussion ensued regarding the increased issuance of speeding tickets and how it protects pedestrians. Chief Broady stated that the most prevalent crimes that occur are graffiti, domestic violence, and traffic violations.

b. Transit/Recreation

Director of Transit and Recreation Chris Colter and Transit Operations Manager Rob Johnson presented the report noting that the Gondola opens May 21st, and that all biking trails are closed at this time due to the weather and conditions. Council discussion ensued. Utilization rates for employee shuttles are down and discussion ensued on how to get more people to ride. The Town encourages riders to tell a friend about the service. The net cost of the shuttle was \$12,000 for the winter season. Staff provides the Region 10 transit coordinator information to get the word out about the shuttle. Council suggested promotional possibilities to incentivize people to ride. Mr. Colter stated that the parking fund transfer to the general fund has been increasing over the last few years. The Recreation Department will be sending two employees to a National Ski Areas Association (NSAA) Bike Park Summit in June for training. The Boulevard Trail is scheduled to be widened so that the snow cat can groom it more effectively. Council thanked him for a thorough report.

c. Public Works

Public Works Director Finn Kjome presented his report and discussed current projects: the water line project has been bid and assigned to Williams Construction and the permits are in place, the Town received \$97,000 in grants for the project, the Meadows improvements came in on budget and Williams Construction received the bid. Council discussed the Water Conservation Policy in effect and whether or not to treat it as a way of life or to lift the restrictions based on the snowpack and rainfall. Council also discussed incentivizing zero-scaping, drought tolerant plants and encouraging native species. Further discussion ensued regarding water restrictions for water features. Currently homeowners are allowed to turn the features on for special cases and staff makes those decisions on a case by case basis. Council directed staff to agendize a monthly water update through the summer and to keep the water restrictions as they are for now. The water line project at this time has saved \$900,000 but that does not take into account any change orders that may occur once the project is underway. Mr. Kjome also stated that Field Operations Administrative Assistant Donna Brackett will be retiring and that there will be a retirement party on May 27th at 12:00 p.m.

Dave Schillaci left the meeting at 3:42 p.m.

d. Town Manager

Town Manager Kim Montgomery presented her report. Billing Specialist Susan Ray received the Great Services Award for April when a software update for the Town's water billing system caused all water account information to be deleted in the system and Ms. Ray refused to accept the excuses from the software technicians. She persevered until they found a resolution to the problem.

First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Amending Certain Sections of the Mountain Village Municipal Code Title 9, Public Peace, Morals and Welfare, Title 8, Health and Safety, Title 6 Animals, Title 1, General Provisions, Section 1.08 General Penalty and Adding Municipal Code Sections to Title 9 Prohibiting Firearms and Dangerous Weapons in Town Buildings and Meetings, Prohibiting Defacing Property and Graffiti, Prohibiting Open Containers of Alcohol in Public, Prohibiting Unauthorized Use of a Dumpster, Making Unauthorized Use of a Ski Pass a Crime of Theft, Prohibiting Vagrancy and Adding a Municipal Code Section to Title 10 regarding Parking and Impoundment (23)

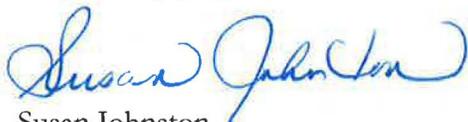
Jim Mahoney presented the above item stating that this ordinance updates criminal ordinances since 1995 and adjusts the fines. He added that it will clean up the ordinances to match what the Municipal Court can issue in fines. Council discussion ensued. Council directed staff to work with TSG for the Town to provide trash cans that would accept dog waste. On a **MOTION** by Jonette Bronson and seconded by Michelle Sherry, Council voted unanimously to approve on first reading an Ordinance amending certain sections of the Mountain Village Municipal Code Title 9, Public Peace, Morals and Welfare, Title 8, Health and Safety, Title 6 Animals, Title 1, General Provisions, Section 1.08 General Penalty and Adding Municipal Code Sections to Title 9 Prohibiting Firearms and Dangerous Weapons in Town Buildings and Meetings, Prohibiting Defacing Property and Graffiti, Prohibiting Open Containers of Alcohol in Public, Prohibiting Unauthorized Use of a Dumpster, Making Unauthorized Use of a Ski Pass a Crime of Theft, Prohibiting Vagrancy and Adding a Municipal Code Section to Title 10 regarding Parking and Impoundment and to set the second reading, public hearing and Council vote for June 25, 2015.

Other Business: (24)

There was no other business.

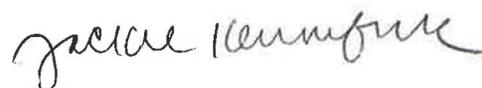
There being no further business, on a **MOTION** by John Howe and seconded by Michelle Sherry, Council unanimously agreed to adjourn the meeting at 4:08 p.m.

Respectfully prepared,



Susan Johnston
Deputy Town Clerk

Respectfully submitted,



Jackie Kennefick
Town Clerk